

FISCAL IMPACT STATEMENT ON BILL NO. **S.386**

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TO:	The Honorable Glenn McConnell, Chairman, Senate Judiciary Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Beth Campbell		
DATE:	March 27, 2007	SBD:	2007168

AUTHOR:	Senator Land	PRIMARY CODE CITE:	42-1-540
SUBJECT:	Workers' Compensation - Reckless Injury		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

Senate Bill 386 would not exclude an action against the employer or insurance carrier for a willful, intentional, or reckless injury resulting from the violation of a statute or regulation enacted by the federal, state, or local authorities to ensure a safe workplace, the intentional removal of a safety device or warning label, or for the bad faith refusal of the employer or carrier to pay benefits or provide medical treatment.

EXPLANATION OF IMPACT:

Workers' Compensation Commission

The Commission reports this Bill will have no impact on the General Fund of the State or on Federal and/or Other Funds.

State Accident Fund

The Fund estimates this Bill will increase workers' compensation claims costs that will translate into an increase in premiums (paid by governmental entities) due to an expansion of benefits. Premiums are paid by state agencies from State General Funds as well as Federal and Other Funds. The specific costs are difficult to estimate due to a number of other factors that impact the ultimate cost of workers' compensation claims.

Second Injury Fund

The Fund reports this Bill may have a minimal cost to the Uninsured Employers' Fund due to an increase in workers' compensation claims costs.

LOCAL GOVERNMENT IMPACT:

Local government would be impacted to the same extent as State agencies.

Approved by:



Harry Bell
Assistant Director, Office of State Budget